

The Monthly Magazine for Food and Agricultural Exporters

# AgExporter

United States Department of Agriculture  
Foreign Agricultural Service

June 2003

*Right  
in Style in Italy*



TRADE SHOW OPPORTUNITY

# WORLD FOOD MOSCOW 2003

## MOSCOW, RUSSIA

**The Show:** World Food is one of the largest food and beverage shows held in Russia.

**Location:** ExpoCentre, Moscow

**Dates:** Sept. 23-26, 2003

**Costs:** Booth package is \$250 per square meter, plus \$520 registration fee.

**Booths:** The following booth sizes are available: 12, 16, 20 and 24 square meters. Booths can be shared. Package includes: fascia board with the exhibiting company name; carpeting; upgraded design and construction; one table (0.7 meter x 0.7 meter); two chairs; two spotlights; one electrical outlet (220 volts, 1 kilowatt); one wastebasket; three shelves (1 meter x 0.3 meter); standard height (1.6 meter); daily booth cleaning; two gate passes; lockable space (1 meter x 0.5 meter). Also, exhibiting company name and description listed in the official show catalog and in the USDA advertisement in the show catalog.

**Note:** Other equipment and furniture is available for an additional charge. However, substitutions to the standard booth package are not allowed.

**Contacts:** For further information on the Russian food market, please contact the FAS Agricultural Trade Office in Moscow. For questions about World Food Moscow 2003, or to reserve space in the U.S. Pavilion, contact:

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# In Italy, U.S. Style Is “In”

By Dana Biasetti

In Italy, food preparation is an art. But, while Italian style cooking may be found in all corners of the world, Italians themselves are becoming more aware of foreign cuisines. At the same time, Italy's booming tourism industry has stimulated demand for food products to supply the hotel, restaurant and catering industries. There is also strong interest in new and innovative products, especially in the health, specialty and ethnic food categories.

Italians have access to a broad range of fresh foods due to their own wealth of horticultural production. Italy is a fish- and vegetable-hungry Mediterranean nation. Italians are health-conscious, modern consumers willing to pay a premium for quality food. In fact, Italy is second only to Portugal in per capita spending on food within the EU (European Union).

## American Style

American-style fast-food chains, buffets and salad bars are gaining popularity in Italy. The move towards more convenient dining has led Italian importers to search out U.S. food products adapted to self-service eateries.

For example, many bars, restaurants and food service companies are seeking foods that microwave easily. While home use of microwave ovens is still low, sales are increasing. Families with two working parents rely more and more on microwaves to reheat food and prepare frozen foods. Microwave ovens are present



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in most small shops to reheat goods such as pizza and roast chicken.

Italians are consuming increasing quantities of breakfast cereals, organic foods and snacks. In Italy, young adults are especially interested in foods associated with a typically American lifestyle, such as beer and salted snacks. American-type

packaging is perceived as trendy and consumer-friendly.

Overall, U.S. food exporters do well in the Italian market, including in the increasingly popular sushi bars. U.S. exports of bulk and packaged dried fruits and nuts have consistently sold well in Italy.





**ONCE AN IMPORT IS  
APPROVED IN ONE MEMBER  
STATE, IT MAY MOVE FREELY  
THROUGHOUT THE EU.**



### What Exporters Need To Know

As a member of the EU, Italy has the same duties, levies and standards as other EU countries. EU law covers most matters relating to labeling, packaging, food additives, pesticides and other contaminants, as well as plant and animal health restrictions. A comprehensive guide to EU food laws and regulations is available at: [www.useu.be/AGRI/expguide.html](http://www.useu.be/AGRI/expguide.html)

When agricultural products enter Italy, they are inspected at the port of entry, and all papers are examined. Health authorities may test and analyze samples. Goods are released only after payment of import duties and other taxes. A product may enter commercial channels within 48 hours from the time of arrival at port, if no specific problems arise in document inspection or sample testing.

Import duties are determined by the tariff classification of goods and by customs value. With the implementation of a common customs code, the member states



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of the EU apply the same tariff on goods from outside the EU. Once an imported good is approved in one member state, it may move freely throughout the EU.

It is important to employ an experienced, reputable importer to work with Italian regulatory authorities to ensure the acceptability of specific products. It is also advisable for the agent to contact health

### Big Public Italian Holidays

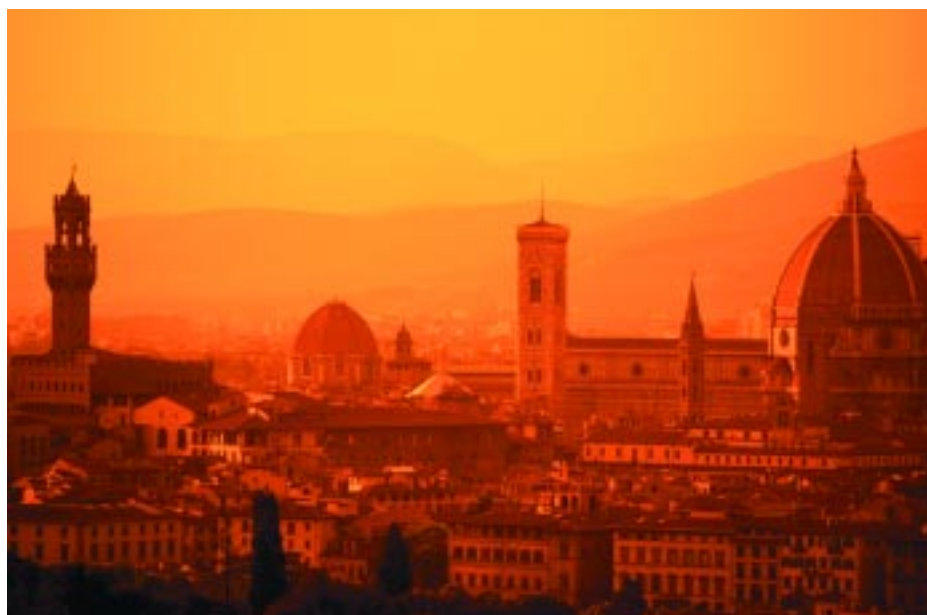
Holidays must be taken into account when planning a business itinerary. July and August are poor months for conducting business in Italy, since many businesses close for summer vacation. The same is true during the Christmas and New Year's period. When an Italian holiday falls on a Saturday, offices and stores are closed.

New Year's Day	January 1
Epiphany	January 6
Easter Monday	Usually in April
Anniversary of Liberation—World War II	April 25
Labor Day	May 1
Assumption Day	August 15
All Saints' Day	November 1
Feast of the Immaculate Conception	December 8
Christmas	December 25
St. Stephen's Day	December 26

authorities at the port of entry, as interpretations of health directives may vary from port to port. ■

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# U.S. Wheat Is Grist for Italian Mills

By Sandro Perini

Italy's wheat imports rose to 7.8 million metric tons in the 2001/02 marketing year. At the same time, U.S. wheat exporters increased their sales by 31 percent from a year earlier, to 1.13 million tons.

U.S. suppliers have been the beneficiaries of Italy's domestic crop shortfall for bread and durum wheat. Though domestic crops recovered somewhat in 2002/03, the U.S. export level is expected to remain high as other traditional wheat exporters to this market have dwindling supplies.

## More Wheat Being Planted

Farmers' planting decisions are directly influenced by the CAP (Common Agricultural Policy), the farm policy implemented by the EU (European Union). Among several other measures, the CAP subsidizes farmers per hectare of planting. As a result of recent CAP

changes, oilseed cultivation has fallen off as grain production has increased.

In particular, growers in the Po Valley of northern Italy have shifted from soybeans to bread wheat. This shift has ended a long downward trend in bread wheat production. But while domestic production of bread wheat increased 20 percent in 2002/03 to as high as 3.3 million tons, it will still meet only 35-40 percent of the country's needs.

In central Italy, a similar switch from sunflowerseeds to durum wheat occurred in the 2002 crop year. Domestic production of durum reached 4.3 million tons, 23 percent larger than 2001.

## Quality Counts

In 2001/02, Italian imports of soft wheat spiraled up to 5.44 million tons. This amount could drop to 5 million tons in 2002/03, due to an upswing in domestic crops. Regardless, U.S. producers are not expected to be impacted greatly, because Italian millers are selective, and other traditional high-quality suppliers have waning supplies.

In 2001/02, only 45 percent of Italy's



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imports came from other EU countries, with France being the leading supplier, followed by Germany, Austria and the United Kingdom. This limited EU share of Italian wheat imports was mainly due to reduced crops in France and Britain, which were reportedly below average in quality as well as quantity.

Italian imports from non-EU countries, on the contrary, rose significantly, favored by the very large shipments from Russia and Ukraine of cheap wheat, used for both milling and feed consumption.

Soft wheat imports from the United States grew to 654,000 tons in 2001/02. Besides the usual purchases of DNS (dark northern spring) wheat from North Dakota, SRW (soft red winter) wheat sales are also being reported. In the summer of 2002, Italian millers bought 50,000-70,000 tons of SRW thanks to the unusually low EU import duty and competitive U.S. prices.

DNS wheat is used mainly to make traditional holiday cakes, as well as other top-quality bakery products, while SRW is milled and blended for medium-low quality bakery production. Italian exports of bread wheat flour, at 505,000 tons in 2001/02, have been declining the past few years due to increasing competition from Middle Eastern millers.



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### Make Mine al Dente

Most durum wheat becomes pasta in Italy, and after two years of decline, pasta production is again on the rise, due to increased domestic consumption and, especially, pasta exports.

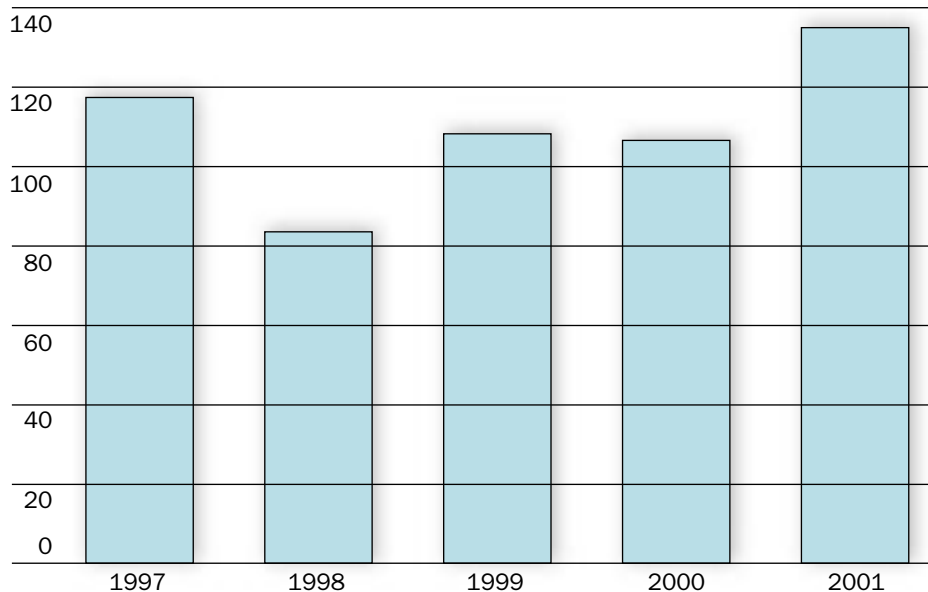
To meet this growing demand, pasta production was raised significantly in 2000, reaching a record high of 3 million tons. In 2001/02, export sales reached the record high volume of 1.45 million tons, up 3 percent from the year before, with shipments to the EU climbing to 839,000 tons. Exports to the United States remained virtually unchanged at 160,000 tons, after a leading Italian pasta maker established a new plant in Iowa, displacing most of its exports to the United States.

To meet the sharp decrease in domestic durum production in 2001/02, Italian imports rose to 2.35 million tons, over 50 percent more than the marketing year before. Most of this increase came from the United States, Australia and Canada.

In the 2001/02 marketing year, Italy's U.S. durum imports topped 654,000 tons, of which about 120,000 tons was desert durum (grown in southern California and Arizona under cultivation contracts with Italian pasta makers), and the remainder was North Dakota durum. ■

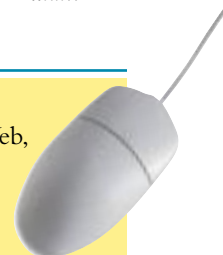
**In Calendar 2001, U.S. Wheat Exports to Italy Rose 26 Percent in Value**

\$ Million



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# The World's Wines Flow to a Brimming U.K. Market

By Jennifer Jones

**T**he United Kingdom is the world's largest importer of wine by value. With little domestic production due to an inhospitable climate, imports from all over the world are found at dinner tables in British homes and restaurants.

The U.K. consumer has access to an unrivaled range of wines, with the bulk of sales controlled by the major U.K. super-market chains. And the popularity of U.S. wines is growing by 25 percent a year. U.K. import volume of U.S. still wines increased from 570,000 hl (1 hectoliter = 105.67 quarts) in 2000 to 734,000 hl in 2001.

## Increased Consumption

Over the last 10 years, U.K. wine consumption per capita has increased by about 40 percent, mostly at the expense of beer. The ease with which wines can now be purchased in grocery stores has fueled their popularity as an everyday drink.

Although since 1997 the percentage of British consumers who purchase one bottle of wine per month has fallen, the people who do buy wines are buying more. In short, U.K. distributors continue to sell more wines—but they are failing to attract new consumers. In the long term, the U.K. wine trade will need to do more marketing, education and advertising to attract younger consumers. Weekly consumers of table wines are generally 35 to 49 years of age. And most consumers over 50 drink wines daily.

Much of the recent increase in U.K.



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sales volume and value is due to consumer demand for red varieties. The claimed health benefits of red wines have been broadcast widely to the U.K. audience. In general, U.K. consumers prefer “easier-to-drink” red wines that are affordable, lighter and fruitier. Overall red wine consumption exceeded white for the first time in 2000, and now accounts for 52 percent of the market.

White wine sales have increased steadily, but more modestly. White wines are particularly popular among younger drinkers in the 18- to 24-year-old bracket. Rosé wines form a relatively minor part of the British wine market, accounting for only some 3 to 4 percent of total sales.

Most wines in the United Kingdom are consumed in the home rather than in pubs, clubs, restaurants and hotels. Price is the most important factor in purchasing decisions, and around \$7.50 per bottle is

usually the major dividing line between what is considered an inexpensive and expensive bottle of wine.

British consumers are becoming more adventurous in their tastes as their wine knowledge expands. People are choosing wine by grape variety, region and brand. Cabernet Sauvignon and Chardonnay are the most popular varieties.

In London, there is a growing appreciation for quality, and one of the city's newest tourist attractions on the South Bank is “Vinopolis City of Wine.” Vinopolis offers visitors an interactive tour of the world's wine regions and cultures with stops at wine-tasting tables.

## Import Horizons Expanding

In 1995, French, German and Italian wines together accounted for about two-thirds of U.K. wine consumption. This figure has now dropped to nearer 35 percent and is still falling. Increasingly, wines



## THE POPULARITY OF U.S. WINES IS GROWING BY 25% A YEAR.

are coming to the United Kingdom from Australia, South America and the United States. According to 2001 figures, Australian wines have 17 percent of the U.K. market. The United States' share is about 9 percent.

The tremendous success Australian wines are having in the U.K. market could serve as a model for U.S. suppliers. Australia has demonstrated an ability to produce consistently high-quality varieties targeted to the modern consumer searching for predominantly "fruit-driven" wine styles. Frequent advertising and wine tastings are helping to bring consumers into the fold.

### Opportunities for U.S. Wines

To move a large volume of wine through the U.K.'s mainstream supermar-



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kets and specialty outlets, U.S. exporters need to supply a good quality product priced at \$5.20 to \$7.50 a bottle. U.S. brands that have been successful in this price range include Gallo, Blossom Hill and Corbett Canyon.

U.S. wines above the \$7.50 price have also seen impressive growth. In the \$7.50

to \$9.80 bracket, U.S. varieties are doing well in the United Kingdom and have excellent potential. There is also room to expand in the upscale restaurant, organic, kosher and premium categories. These niche markets are prime targets for smaller California winemakers as well as producers in New York, Virginia, Texas and the Pacific Northwest.

### Legal Requirements

There are some 100 wine importers in the United Kingdom, and they can handle customs and distribution requirements. Wines imported into the EU (European Union) must be accompanied by the V.I.1 Form that requires the overseas winery to certify that all shipments over 60 liters (1 liter = 1.0567 quarts) conform to EU regulations. All labels must list country of origin, geographical origin if used in the name of the wine, name and address of the packer, lot mark, volume, name and address of the importer and alcoholic strength.

Wines from the United States are subject to import duties, an excise duty and a value-added tax. The import duty is levied on all third-country (non-EU) imports and depends on the volume of alcohol. ■

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# Satisfying the Appetite of the Danes

By Hasse Kristensen

**D**ue to shifting demographics and increasing incomes, Danes are changing their eating habits, demanding convenience, freshness, more variety and more specialty items. Organic, health and convenience foods are becoming extremely popular.

## An Affluent Market With Many Outlets

Denmark has a thoroughly modern market economy, its population of 5.3 million having an average annual per capita income of \$28,000.

Danes purchase about 80 percent of their food in supermarkets. And 25 percent of the products in these markets is imported, mainly from other EU (European Union) countries. Denmark's well-developed, highly competitive food manufacturers supply a wide range of pork, poultry, dairy products, seafood, beer, soft drinks and fruits and vegetables. However, in calendar year 2001 the Danes imported some \$2.7 million in consumer-ready foods; the U.S. market share was about 3 percent.

This is an area where U.S. suppliers have an opportunity to make some inroads. The Danes have a favorable image of certain U.S. products. There is growth

THE DANES ARE SEEKING MORE  
VARIETY IN THEIR FOOD.



5315

potential for branded items and increasing interest in exotic foods from different countries. However, Danish retailers are reluctant to offer products labeled as derived from biotechnology.

COOP Denmark and Danish Supermarket dominate the supermarket sector. Together they have 1,500 stores and control 64 percent of the market. Specialty stores are losing market share to the supermarkets because they do not have economies of scale. Large discount outlets are growing, and every fourth supermarket is a discount store.

Eight wholesalers that are also the country's biggest importers supply most of the Danish retail sector. About 25 individual importers also supply retailers.

## Breaking In

Although the Danish food market is extremely competitive, new products and reasonably priced items have an excellent chance of breaking in. Danish supermarket chains often feature new products in campaigns planned at least six months ahead. Exporters must be prepared to negotiate on prices, discounts, delivery

periods and ordering times.

Most Danish business people speak English. Like many Northern Europeans, the Danes are very direct in their verbal and written communications and have little time to spend on small talk or business lunches or dinners. After a brief introduction, they come straight to the point. The Danes are looking for loyalty in business relationships with long-lasting, solid agreements.

## Import Procedures

For an exporter to comply with import procedures, the assistance of a Danish importer is essential. Consumer products must be labeled in Danish or in a language that differs only slightly from it, such as Norwegian or Swedish. The country of origin must be clearly marked, and measurements must be in metric. Labels must accurately describe the package contents.

Knowledge of specific Danish ingredient requirements is essential, as they differ from those of other EU countries. Details on import and inspection procedures may be found at: [www.fas.usda.gov/itp/ofsts/fairs\\_by\\_country.asp](http://www.fas.usda.gov/itp/ofsts/fairs_by_country.asp) ■

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## Best High-Value Prospects

- Almonds, walnuts, peanuts, pecans and pistachios
- Wines
- Salmon
- Pet food
- Cranberries
- Dried fruits
- Grapefruit
- Organic products

For details, see FAS Report DA2022. To find it on the Web, start at [www.fas.usda.gov](http://www.fas.usda.gov), select **Attaché Reports** and follow the prompts.





# In China, Good Manners Mean Good Business



*By Jane Hu*

**C**hina, as the world's most populous country, is fast emerging as one of the most important markets for many U.S. agricultural businesses. Home to nearly one-quarter of the world's population, China welcomes

business people seeking new opportunities. Understanding Chinese culture is essential to a successful business experience.

## The Fundamentals

To successfully navigate Chinese culture, visitors must appreciate the essential core values that make the society tick. In an amalgamation of ancient tradition and communist philosophy, these values center around respect for age and hierarchical

position, group rather than individual orientation, the concept of maintaining face and the importance of personal relationships.

For Americans, coming from a society that emphasizes individualism, interacting in such a culture can be difficult.

## Cultivating a Personal Relationship

Personal relations are a bigger factor in getting things done in China than in the United States. In business, these rela-



tionships are crucial because all agreements rely more on trust between parties than on fully articulated, legally enforceable contracts. This has long been a feature of Chinese culture, where one's word and a handshake close a deal, as opposed to cultures which rely on lots of documentation.

To do business with the Chinese, make friends with them first. Small talk about hobbies and families is a good way to break the ice. Meanwhile, it is good to describe yourself before broaching business topics.

### **The Business Relationship**

It is usually worthwhile to impress Chinese customers with your good character rather than the quality of your product. Character comes first. Tolerance, integrity, honesty, sincerity and humor are essential ingredients for developing a stable and long-term business relationship.

The Chinese like to get to know their prospective business partners at working lunches and dinners, often lasting several hours. Count on attending banquets arranged by your host. In China, people tend to eat early—lunch begins around 11:30 a.m., while dinner is served from 6 p.m. onwards.

Don't feel compelled to eat something you do not like or drink alcoholic beverages. On the other hand, the Chinese are very sensitive about food, so be gracious and discreet about their cuisine.

At the meal, do not drink until your host has made the first toast. Then offer a brief return toast. It is polite to use both hands when offering or receiving anything. Once the meal is over, it is not expected that guests and hosts will linger.

You should return the hospitality, if feasible. Seating arrangements should be

carefully worked out in advance, making sure that the senior figures from each party sit next to one another, with an interpreter if necessary. It is better not to serve alcohol before the meal.

Keep in mind that it is not always easy to pinpoint the most senior official or executive in the company with which you are trying to make a deal. Often the individual with the most impressive title is not

## **TOLERANCE, INTEGRITY, HONESTY, SINCERITY AND HUMOR ARE ESSENTIAL INGREDIENTS FOR DEVELOPING FRUITFUL RELATIONSHIPS.**

the one who makes the decisions. Another cause for confusion is that a senior executive may give a Communist party rank rather than a business title.

It is useful, but not absolutely necessary, to give small gifts during meetings or meals with potential Chinese customers. Items that are not excessively expensive and are representative of your company are best.

Gifts should be given or exchanged at the end of the first meeting, or at the end of your stay in their city. Do not expect Chinese to unwrap your gifts in front of you, since they are accustomed to opening them in private.

Business cards are an essential part of doing business in China, and it is a good idea to have a supply with you at all times. It is polite to offer and accept cards with both hands.

When receiving business cards, do not put them in your wallet or pocket. Rather, look at them carefully and, if possible, place them in front of you. After the meeting, collect all the cards you received and put them away.

Chinese hosts appreciate bilingual business cards, so it is best to have cards with English on one side and Chinese on the other. This helps your hosts to address you directly.

Visitors who can speak Chinese will impress their Chinese counterparts. The Chinese equate learning their language with a fondness for China. Even using one or two words will make a good impression. Chinese business people feel more comfortable with those who have taken the time to learn a bit about China.

And your Chinese hosts may surprise you with their knowledge of America. Often they speak English, but may still wish to use an interpreter.

### **Do's and Don'ts**

When you meet your Chinese counterparts for the first time, pay attention to small details. Generally speaking, shaking hands and exchanging name cards is the common way to begin a first meeting.

Do not be too demonstrative, as this will most likely cause embarrassment. Laughing loudly is considered impolite when meeting people for the first time. Try not to be too talkative, and be sure to demonstrate a genuine interest in what others have to say.

Expect your host to be more reserved in a business setting than is common in the United States. If your prospective Chinese customers keep silent or give vague answers, do not assume that they are rejecting your business proposal.

It is important not to be in too much





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of a hurry. Clearly express your business plan, and give your prospective customers time to respond.

### The Importance of Face

In business negotiations, the Chinese generally prefer a passive to an aggressive demeanor. The Chinese often hide their feelings rather than express them openly. It is important for the Chinese not to feel they are losing face or respect. Even one such occurrence can mean losing business

with that client forever. Senior officials do not want to be embarrassed in front of more junior colleagues.

It is best to avoid raising your voice, losing your composure or criticizing China in any way. It is also a good idea to avoid political discussions until you know your customers fairly well. ■

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For details on Chinese business etiquette, see FAS Report CH2828. To find it on the Web, start at **[www.fas.usda.gov](http://www.fas.usda.gov)**, select **Attaché Reports** and follow the prompts.



# Food Processing Prospers in Malaysia

**U.S.** agricultural exports to Malaysia rose to \$404 million in calendar year 2001, a hefty increase from the \$322 million exported in 2000. As much as one-third of these products is destined for the Malaysian food processing industry, which imports \$180 million worth of ingredients a year.

Though U.S. exports to Malaysia have waxed and waned with economic conditions, regional and global downturns have

had little adverse effect on the Malaysian food processing industry. However, stringent economic times have induced greater efficiencies and more selective product purchases.

Malaysia's 23.8 million people enjoy the benefits of living in the third wealthiest country in Southeast Asia. A mix of manufacturing, service and agricultural sectors provides the stable economic foundation that has resulted in almost two-thirds of the population achieving middle-to-upper levels of income. Purchasing power is expected to be higher as per capita income is projected to increase by 5.5 percent in 2003, up to \$3,710.

## Quality Counts

With \$13 billion in sales in 2000, Malaysia's innovative food processing industry demands a wide variety of quality ingredients in reliable quantities. Composed of 3,200 businesses, the sector is one of the more dynamic in Southeast Asia and has enjoyed yearly average increases of 9 percent in value since 1995. Growth for the industry is expected to continue over the next three years at a 3-5 percent annual rate.

Major food production industries include refined sugar, wheat flour and baked products, non-alcoholic beverages, edible oils, dairy products, confectionery and snacks, fish and seafood, beer, canned





## Products by the Number

**T**hese U.S. exports occupy the following market shares in Malaysia's import marketplace:

- Oilseeds (34 percent of imports)
- Protein concentrates (27 percent)
- Sugar derivatives (22 percent)
- Edible nuts (21 percent)
- Tomato purée (11 percent)
- Coffee and tea concentrates (9 percent)
- Extracts and essences (9 percent)
- Juice concentrates (9 percent)
- Essential oils (7 percent)
- Frozen poultry (7 percent)
- Peas and beans (5 percent)
- Fats and oils (4 percent)
- Starches (4 percent)
- Dairy ingredients (2 percent)
- Cereals and cereal products (2 percent)
- Fish and seafood (1 percent)
- Frozen beef and lamb (1 percent)

pineapple and processed meats. Except for locally available commodities—edible oils, poultry, pineapple, processed meats and cocoa and chocolate products—most industries rely on imported ingredients.

Local businesses range in size from small, family-owned to large, publicly held enterprises. Others are subsidiaries of foreign or multinational conglomerates.

### Halal Foods Are Big Business

There are several major considerations for U.S. exporters who want long-term, substantial business as suppliers to local food and beverage manufacturers.

- Since 60 percent of Malaysia is Muslim, it's very important to satisfy Malaysia's demand for *halal* certified ingredients. Processed *halal* foods are those prepared in accordance with prescribed Muslim practices. Also, 20 percent of Malaysia's

consumers are Buddhist and Hindu and don't eat beef products.

- Price competitiveness is very important. Besides the United States, Malaysia imports food ingredients from around the world. Major suppliers include Australia, Thailand, India, New Zealand, the European Union, Argentina and Brazil.
- Exporters should consider the food processor's purchasing policy. Some who use large quantities do buy directly. Others source through local agents to simplify their acquisition process.
- Study targeted food processors. Know their financial strengths; geographic market spread; how much they import; level of research, development and investment in new products; and level of interest in U.S. products.

### Re-Exports Drive Economy

Many Malaysian food and beverage manufacturing industries export to overseas markets. The product diversity that characterizes the sector has been the result of several factors:

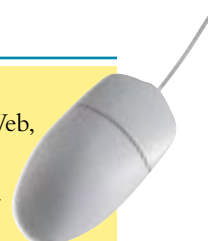
- A wide range of high-quality, imported processed foods and beverages are present, due to low import duties. This has stimulated the introduction of new foods to companies that produce for local consumption. The domestic popularity of biscuits and confectionery and snack products can be directly attributed to this phenomenon.
- Malaysia's open trading environment has stimulated extensive use of imported ingredients by its food processing industry, enabling experimentation in and introduction of a variety of new processed products to the market, such as prepared frozen foods, processed meats and beverages.



- Already highly respected for its *halal* products, Malaysia aims to be the international center for *halal* food production. It has one of the widest ranges of processed *halal* foods in the world, which allows for easy market penetration in other Muslim countries.
- The Malaysian government has encouraged consumers to "buy Malaysian," and urged the retail sector to carry more locally produced foods and beverages. This show of confidence has increased investment in processing facilities as well as the development of new products, expansion of the domestic market into both the retail and hotel, restaurant and institutional sectors and entry into new overseas markets. ■

*This article was based on a report prepared for the FAS Office of Agricultural Affairs, U.S. Embassy, Kuala Lumpur, Malaysia. Tél.: (011-60-3) 2168-5023; Fax: (011-60-3) 2168-5023; E-mail: faskl@tm.net.my*

For details, see FAS Report MY2002. To find it on the Web, start at [www.fas.usda.gov](http://www.fas.usda.gov), select **Attaché Reports** and follow the prompts.



    **TRADE SHOW OPPORTUNITY**   

# GREAT AMERICAN FOOD SHOW 2003



## SANTO DOMINGO, DOMINICAN REPUBLIC

### The Show:

Don't miss this unique opportunity to promote your food and beverage products in the Dominican Republic and other major Caribbean islands. This year's **Great American Food Show** will be bigger and better than ever.

Show attendance will be limited to trade only, and targeted one-on-one appointments will be arranged for each exhibiting company. To add a regional focus to the show, representatives of key importer/distributors and supermarket, hotel, restaurant and tourism companies from Jamaica and Haiti will also attend, giving you access to three markets that bought over \$225 million in U.S. processed food products last year.

### Location:

The Great American Food Show will be held in the exclusive Renaissance Jaragua Hotel on the central Santo Domingo waterfront.

### Dates:

The show will run **Sept. 30-Oct. 1, 2003.**

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TRADE SHOW OPPORTUNITY

# AGROEXPO 2003

BOGOTA, COLOMBIA

## The Show:

Over its 28-year history, AGROEXPO 2003 has become the main agricultural and livestock event in Latin America. More than 10 countries exhibit their products and equipment at this show, including Germany, Italy, the Netherlands, Switzerland, Belgium, France, Canada and most of the Andean countries. The show concentrates on food, agricultural inputs and machinery, and livestock, including horses. AGROEXPO will take place July 31-Aug. 10, 2003, at the Corferias Fair Grounds, Bogota, Colombia.



The U.S. agricultural office in Bogota will rent a 42-square-meter space for an **American Café** display of U.S. agricultural products and information on U.S. exporters. The office will arrange with the consolidator "Just-in-time" in Miami to consolidate and ship your products. Information brochures should be sent directly to the Bogota agricultural office ahead of time.

## The Market:

With a population of 40 million, Colombia is the largest importer of U.S. agricultural products in Latin America after Mexico, with total imports of \$485 million in fiscal 2002. It is a major importer of a broad range of processed food products and beverages, has one of South America's most modern, dynamic supermarket sectors and has a diverse, thriving restaurant sector.

## Best Product Prospects:

Snack foods, dairy products, salad dressings, pre-mixes, wines, olive oils, balsamic oils, microwave-ready products, spices, condiments, confectionery candy, canned meats and produce, jams, jellies, cookies, crackers, pancakes and cake mixes, pastry, frozen foods, cereals, gourmet foods, pet foods, energy beverages, flavored teas, ready-to-eat foods, canned soups, refrigerated and non-refrigerated snacks for children, dried fruits, baby foods, extracts and powders (vanilla, almond, lemon, etc.), health foods, all edible nuts

## Contacts:

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THE WORLD'S LARGEST FOOD AND BEVERAGE INDUSTRY TRADE EVENT

# ANUGA 2003

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## COLOGNE, GERMANY

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### The Show:

ANUGA 2003 will be the key international food and beverage trade show this year, bringing exhibitors and buyers from almost all countries in the world together in one place.

### The USA Pavilion:

In 2001, 123 companies participated in the USA Pavilion, exhibiting a wide variety of ingredients, processed foods, and beverages. Exhibitors in the USA Pavilion benefit from the general publicity that this large and attractive pavilion receives. Despite the enormous size of the ANUGA trade show, almost all importers and buyers interested in foreign foods will make it a point to visit the USA Pavilion. At ANUGA 2001, 164,440 buyers from 148 countries visited the show.

### New Advantage In 2003:

At ANUGA 2003, **U.S. exhibitors have a new, cost-effective option: workstations, grouped in a marketplace setting and sharing common meeting/conference space with other workstation exhibitors.**

The marketplace will be incorporated in the USA Pavilion and include the same design and services as those available to purchasers of a 12-square-meter booth package or 6-square-meter booth package.

### Location:

KoelnMesse  
Cologne, Germany



### Dates:

Oct. 11-15, 2003

### Deadline:

June 1, 2003

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# Trade Notes...

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## USDA Launches Global Feeding Program

USDA's FAS has been designated as the lead agency for implementing the McGovern-Dole International Food for Education and Child Nutrition Program. The new program, which was authorized in the 2002 Farm Bill, reaffirms the U.S. global commitment to education, child development and sustainable economic development. By offering a way for poor children to find a better future through education, it is an investment in helping developing nations build more productive, self-reliant societies. It is estimated that 120 million children around the world do not attend school, in part because of hunger and malnutrition. The goal of this program is to help change that by providing starving children in impoverished nations with nutritious meals as part of their education.

## Spain Approves Five New Biotech Corn Varieties for Planting

Spain has signed off on five new biotech corn varieties for planting, bringing the total number of approved varieties to seven. This allows the new varieties—products of Monsanto, Syngenta, Pioneer and Limagrain—to be included in the official seed registry in time for planting in Spain this season. These varieties had been approved prior to the EU's (European Union's) de facto moratorium on new biotech approvals in 1998 but had never been entered in the seed registry.

## Additional Food Relief Available for Africa and Iraq

In March, 200,000 metric tons of wheat were released from the Bill Emerson Humanitarian Trust for emergency food assistance in Africa, particularly Ethiopia and Eritrea. Food crises in the Horn of Africa and southern Africa threaten some 38 million people with starvation. In addition, 200,000 metric tons of wheat from the Trust were released for emergency food assistance in Iraq, with another 400,000 tons to be made available as needed. The United States is working in close partnership with international institutions and other nations as well as private voluntary organizations to ensure the rapid delivery of humanitarian relief for Iraq. The Trust is an emergency reserve administered under the authority of the Secretary of Agriculture. It is available for humanitarian relief in developing countries, allowing the United States to respond to unanticipated food crises.

## Electronic Reporting on Export Sales of Cotton and Rice Begins

In April, FAS began electronic collection of weekly export sales data for cotton and rice. Cotton exporters and firms that export rice will be able to access a secure data entry Web site with a user identification and password. The system has been operating successfully for beef exporters since September 2002, and for hides and skins since January 2003. In coming months, other commodities will be added. Every week, FAS publishes export sales data. The data is used to analyze foreign market conditions and consumer demand. The weekly U.S. Export Sales report is available on the FAS Web site at: [www.fas.usda.gov/export-sales/esrd1.html](http://www.fas.usda.gov/export-sales/esrd1.html). Reports are normally released on Thursday of each week.





### *Also in This Issue:*

- The United Kingdom's brimming wine market
- A guide to exporting to Denmark
- Chinese business etiquette
- Malaysia's flourishing food processing sector
- Trade shows in Russia, the Caribbean, Colombia and Germany

### *And Next Time, Turn to AgExporter for:*

- Reaching New Zealand's consumer and retail sectors
- Transformations in Hong Kong's rice trade
- Engaging in Poland's expanding market for seafood and value-added products

United States  
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Washington, DC 20250-1000

